

LEGISLATURE OF NEBRASKA
NINETY-SIXTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1301

Introduced by Hartnett, 45; Redfield, 12

Read first time January 19, 2000

Committee: Urban Affairs

A BILL

- 1 FOR AN ACT relating to sanitary and improvement districts; to amend
- 2 section 31-727, Reissue Revised Statutes of Nebraska; to
- 3 change provisions relating to road repair and
- 4 maintenance; to provide duties; and to repeal the
- 5 original section.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 31-727, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 31-727. (1) A majority of the owners having an interest
4 in the real property within the limits of a proposed sanitary and
5 improvement district, situated in one or more counties in this
6 state, may form a sanitary and improvement district for the
7 purposes of installing electric service lines and conduits, a sewer
8 system, a water system, an emergency management warning system, a
9 system of sidewalks, public roads, streets, and highways, public
10 waterways, docks, or wharfs, and related appurtenances, contracting
11 for water for fire protection and for resale to residents of the
12 district, contracting for police protection and security services,
13 and contracting for gas and for electricity for street lighting for
14 the public streets and highways within such proposed district,
15 constructing and contracting for the construction of dikes and
16 levees for flood protection for the district, and acquiring,
17 improving, and operating public parks, playgrounds, and
18 recreational facilities.

19 The sanitary and improvement district may also contract
20 with a county within which all or a portion of such sanitary and
21 improvement district is located or a city within whose zoning
22 jurisdiction such sanitary and improvement district is located for
23 any public purpose specifically authorized in this section.

24 Notwithstanding any other provision of sections 31-727 to
25 31-762 to the contrary, it shall be the responsibility of the
26 county to repair and maintain to minimum standards and remove snow
27 from roads and streets located within the boundaries of sanitary
28 and improvement districts located within the county, if such roads

1 and streets are dedicated to the public and are first constructed
2 to minimum standards as established by the county board. If such
3 roads and streets are located within the zoning jurisdiction of a
4 city or village, such minimum standards for construction or for
5 maintenance shall be the higher of those established either by the
6 county or the city or village.

7 Sanitary and improvement districts located in any county
8 which has a city of the metropolitan class within its boundaries or
9 in any adjacent county which has adopted a comprehensive plan may
10 contract with other sanitary and improvement districts to acquire,
11 build, improve, and operate public parks, playgrounds, and
12 recreational facilities for the joint use of the residents of the
13 contracting districts.

14 Nothing in this section shall authorize districts to
15 purchase electric service and resell the same.

16 The district, in lieu of establishing its own water
17 system, may contract with any utilities district, municipality, or
18 corporation for the installation of a water system and for the
19 provision of water service for fire protection and for the use of
20 the residents of the district.

21 For the purposes listed in this section, such majority of
22 the owners may make and sign articles of association in which shall
23 be stated (a) the name of the district, (b) that the district will
24 have perpetual existence, (c) the limits of the district, (d) the
25 names and places of residence of the owners of the land in the
26 proposed district, (e) the description of the several tracts of
27 land situated in the district owned by those who may organize the
28 district, (f) the name or names and the description of the real

1 estate owned by such owners as do not join in the organization of
2 the district but who will be benefited thereby, and (g) whether the
3 purpose of the corporation is installing gas and electric service
4 lines and conduits, installing a sewer system, installing a water
5 system, installing a system of public roads, streets, and highways,
6 public waterways, docks, or wharfs, and related appurtenances,
7 contracting for water for fire protection and for resale to
8 residents of the district, contracting for police protection and
9 security services, contracting for street lighting for the public
10 streets and highways within the proposed district, constructing or
11 contracting for the construction of dikes and levees for flood
12 protection of the proposed district, acquiring, improving, and
13 operating public parks, playgrounds, and recreational facilities,
14 or, when permitted by this section, contracting with other sanitary
15 and improvement districts to acquire, build, improve, and operate
16 public parks, playgrounds, and recreational facilities for the
17 joint use of the residents of the contracting districts,
18 contracting for any public purpose specifically authorized in this
19 section, or combination of any one or more of such purposes, or all
20 of such purposes. Such owners of real estate as are unknown may
21 also be set out in the articles as such.

22 No sanitary and improvement district may own or hold land
23 in excess of ten acres, unless such land so owned and held by such
24 district is actually used for a public purpose, as provided in this
25 section, within three years of its acquisition. Any sanitary and
26 improvement district which has acquired land in excess of ten acres
27 in area and has not devoted the same to a public purpose, as set
28 forth in this section, within three years of the date of its

1 acquisition, shall devote the same to a use set forth in this
2 section or shall divest itself of such land. When a district
3 divests itself of land pursuant to this section, it shall do so by
4 sale at public auction to the highest bidder after notice of such
5 sale has been given by publication at least three times for three
6 consecutive weeks prior to the date of sale in a legal newspaper of
7 general circulation within the area of the district.

8 (2) The articles of association shall further state that
9 the owners of real estate so forming the district for such purposes
10 are willing and obligate themselves to pay the tax or taxes which
11 may be levied against all the property in the district and special
12 assessments against the real property benefited which may be
13 assessed against them to pay the expenses that may be necessary to
14 install a sewer or water system or both a sewer and water system,
15 the cost of water for fire protection, the cost of grading,
16 changing grade, paving, repairing, graveling, regrading,
17 widening, or narrowing sidewalks and roads, resurfacing or relaying
18 existing pavement, or otherwise improving any public roads,
19 streets, or highways within the district, including protecting
20 existing sidewalks, streets, highways, and roads from floods or
21 erosion which has moved within fifteen feet from the edge of such
22 sidewalks, streets, highways, or roads, regardless of whether such
23 flooding or erosion is of natural or artificial origin, the cost of
24 constructing public waterways, docks, or wharfs, and related
25 appurtenances, the cost of constructing or contracting for the
26 construction of dikes and levees for flood protection for the
27 district, the cost of contracting for water for fire protection and
28 for resale to residents of the district, the cost of contracting

1 for police protection and security services, the cost of
2 electricity for street lighting for the public streets and highways
3 within the district, the cost of installing gas and electric
4 service lines and conduits, the cost of acquiring, improving, and
5 operating public parks, playgrounds, and recreational facilities,
6 and, when permitted by this section, the cost of contracting for
7 building, acquiring, improving, and operating public parks,
8 playgrounds, and recreational facilities, and the cost of
9 contracting for any public purpose specifically authorized in this
10 section, as provided by law.

11 (3) The articles shall propose the names of five or more
12 trustees who are owners of real estate located in the proposed
13 district to serve as a board of trustees until their successors are
14 elected and qualified if such district is organized. No
15 corporation formed or hereafter formed shall perform any new
16 functions, other than those for which the corporation was formed,
17 without amending its articles of association to include the new
18 function or functions.

19 (4) After the articles are signed, the same shall be
20 filed in the office of the clerk of the district court of the
21 county in which such sanitary and improvement district is located
22 or, if such sanitary and improvement district is composed of tracts
23 or parcels of land in two or more different counties, in the office
24 of the clerk of the district court for the county in which the
25 greater portion of such proposed sanitary and improvement district
26 is located, together with a petition praying that the same may be
27 declared a sanitary and improvement district under sections 31-727
28 to 31-762.

1 (5) For the purposes of sections 31-727 to 31-762 and
2 31-771 to 31-780, unless the context otherwise requires:

3 (a) Public waterways ~~shall mean~~ means artificially
4 created boat channels dedicated to public use and providing access
5 to navigable rivers or streams;

6 (b) Operation and maintenance expenses ~~shall mean and~~
7 ~~include means and includes~~, but is not ~~be~~ limited to, salaries,
8 cost of materials and supplies for operation and maintenance of the
9 district's facilities, cost of ordinary repairs, replacements, and
10 alterations, cost of surety bonds and insurance, cost of audits and
11 other fees, and taxes;

12 (c) Capital outlay ~~shall mean~~ means expenditures for
13 construction or reconstruction of major permanent facilities having
14 an expected long life, including, but not limited to, street paving
15 and curbs, storm and sanitary sewers, and other utilities;

16 (d) Warrant ~~shall mean~~ means an investment security under
17 article 8, Uniform Commercial Code, in the form of a short-term,
18 interest-bearing order payable on a specified date issued by the
19 board of trustees or administrator of a sanitary and improvement
20 district to be paid from funds expected to be received in the
21 future, including, but not limited to, property tax collections,
22 special assessment collections, and proceeds of sale of general
23 obligation bonds;

24 (e) General obligation bond ~~shall mean~~ means an
25 investment security under article 8, Uniform Commercial Code, in
26 the form of a long-term, written promise to pay a specified sum of
27 money, referred to as the face value or principal amount, at a
28 specified maturity date or dates in the future, plus periodic

1 interest at a specified rate; and

2 (f) Administrator ~~shall mean~~ means the person appointed
3 by the Auditor of Public Accounts pursuant to section 31-771 to
4 manage the affairs of a sanitary and improvement district and to
5 exercise the powers of the board of trustees during the period of
6 the appointment to the extent prescribed in sections 31-727 to
7 31-780.

8 Sec. 2. Original section 31-727, Reissue Revised
9 Statutes of Nebraska, is repealed.